

BMW Group

May 15, 2003

Mr. Kenneth N. Weinstein
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, SW
Washington, DC 20590

RECEIVED

2003 MAY 27 P 12:10

OFFICE OF DEFECTS
INVESTIGATION

RE: Recall Campaign - Front Brake Line
2003 BMW X5

03V-197 ① of ③

Dear Mr. Weinstein:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 and 49 CFR Part 573.

Pursuant to Section 573.6(c), we submit the following information.

1. **Manufacturer:** Bayerische Motoren Werke AG (BMW AG)
Designated Agent: BMW of North America, LLC
Woodcliff Lake, NJ 07677
2. **Make:** BMW

<u>Model Year/Model</u>	<u>Inclusive dates of manufacture</u>
2003 / X5	03/28/2003 - 04/01/2003
3. The number of vehicles affected is approximately 357 - X5 models.
4. The percentage of vehicles estimated to actually contain the defect is approximately 8%.
5. The potential defect involves the front brake line. In very rare occasions, it is possible that the distance between the brake line and the cardan joint of the steering shaft is not sufficient. If this occurs, the brake line may come into contact with the joint and eventually suffer damage and corrosion. Ultimately, a loss of brake fluid, indicated by a warning light in the instrument panel, may occur. This will be accompanied by a reduction in front brake performance. However, the rear brake circuit will not be affected.
6. BMW initially became aware of the potential problem by quality control in April 2003. Based on subsequent field analyses and inspections, a determination of the range of the potentially affected vehicles was established.

BMW has received no reports, nor is BMW otherwise aware of any accidents or injuries related to the defect.

Company
BMW of North America, LLC
BMW Group Company

Mailing address
PO Box 1227
Westwood, NJ
07675-1227

Office address
900 Chestnut Ridge Road
Woodcliff Lake, NJ
07677-7781

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(201) 307-4095

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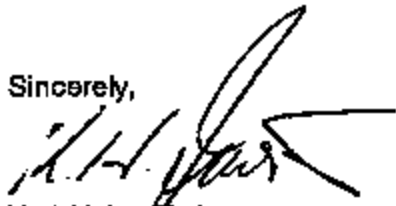
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7. Not applicable.
8. BMW will conduct a recall campaign to inspect and evaluate the distance between the brake line and the cardan joint of the steering shaft. If this distance is not sufficient, it will be increased.

BMW plans to send owner notification letters in May 2003.
9. A copy of the Service Bulletin will be prepared and submitted when available.
10. A draft copy of the owner notification letter is attached.
11. Not applicable.

Sincerely,



Karl-Heinz Ziwica
General Manager
Environmental Engineering

Attachment

DRAFT

May xx, 2003

03V-197 ③ of ⑤

Recall Campaign No. 03V-XXX: Front Brake Line

Dear BMW Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

BMW AG has decided that a defect which relates to motor vehicle safety exists in certain 2003 Model Year BMW X5 Sports Activity Vehicles (SAV). Our records indicate that you are the owner of a potentially affected vehicle.

DESCRIPTION OF DEFECT

The defect involves the front brake line. In very rare occasions, it is possible that the distance between the brake line and the cardan joint of the steering shaft is not sufficient. The brake line may come into contact with the joint and eventually suffer damage and corrosion. Ultimately, a loss of brake fluid, indicated by a warning light in the instrument panel, may occur. This will be accompanied by a reduction in front brake performance. However, the rear brake circuit will not be affected.

Your vehicle may still be driven; however, for the safety of the driver and any passengers, do not leave this problem unattended. A loss of front brake force may occur. Depending on traffic conditions and the driver's reactions, this could lead to a crash.

PRECAUTIONS

1. **CONTACT YOUR AUTHORIZED BMW SAV CENTER IMMEDIATELY TO HAVE THE NECESSARY REPAIR PERFORMED AS SOON AS POSSIBLE.**
2. **If the brake warning light is activated, or a loss of front brake performance is noticed, pull off the road as soon as possible to a safe location away from traffic. Do not continue to drive your vehicle. Contact BMW Roadside Assistance at 1-800-332-4269 immediately to have your vehicle brought to the nearest BMW SAV center.**
3. **If you are not the only driver of this vehicle, please advise all other drivers of this important information.**

DESCRIPTION OF REPAIR

The repair will consist of inspecting the distance between the brake line and the cardan joint of the steering shaft, and if necessary, increasing the distance.

The repair will require approximately 15 minutes. This work will be performed free of charge by your Authorized BMW SAV center. Additional time may be required depending on the BMW SAV center's scheduling and processing.

OTHER INFORMATION

If you are no longer the owner of this vehicle, we would appreciate you furnishing us with the name and address of the new owner, using the enclosed postage-paid card.

If you are a lessor of this vehicle, Federal Regulations require you to forward this notice to your lessee.

If you have already had this repair performed at your own expense, please see the attachment regarding possible eligibility for reimbursement.

Should you have any questions about this campaign, please contact your Authorized BMW SAV center.

We appreciate your confidence in our product, and we wish to do everything we can to retain your confidence. Should you need additional assistance, you may contact BMW Customer Relations at 1-800-831-1117.

If the BMW SAV center is unable to remedy the defect without charge or within a reasonable period of time, you may notify the Administrator, National Highway Traffic Safety Administration, 400 Seventh St., S.W., Washington, DC 20590, or call the toll-free Auto Safety Hotline at 1-888-327-4236.

BMW OF NORTH AMERICA, LLC

**TREAD ACT CUSTOMER REIMBURSEMENT PLAN
(BMW of North America, LLC)**

If you have paid for the repair described in the attached letter, and you would like to be considered for reimbursement, please contact your authorized BMW SAV center. Expenses from repair facilities outside of the BMW SAV center network will be considered; however, the procedure must meet BMW standards and use BMW Genuine Parts.

Your authorized BMW SAV center will request a copy of your owner notification letter, as well as, a copy of your previously paid invoice, and then inspect the vehicle (if it is still in your possession) prior to submitting a claim on your behalf to BMW of North America, LLC for reimbursement.

Please note the following:

- Only a repair that is the subject of this safety recall is reimbursable. Consequential expenses such as towing, rental, accommodations, damage repairs, etc will not be reimbursed.
- When BMW Genuine Parts are used, the Manufacturers Suggested Retail Price (MSRP) will be considered as the guideline for reasonable charges.
- Expenses for repairs performed more than 10 days after the date of the last owner notification letter sent by BMW are not eligible for reimbursement.
- Taxes and hazardous waste disposal, where previously paid, are eligible for reimbursement.
- BMW will not reimburse for prior repairs that did not utilize BMW Genuine Parts.

We anticipate that your authorized BMW SAV center will be able to answer any questions that you may have regarding your qualifications for reimbursement of a previous repair. If you qualify for such a reimbursement, they will also be able to advise you of the manner in which you could receive reimbursement.

We recommend that your authorized BMW SAV center be your primary contact on this issue; however, our Customer Relations Department may be contacted at 1-800-831-1117 for any special assistance that you may require.

Alternatively, you may submit your request for reimbursement to the following address:

Customer Relations Department
BMW of North America, LLC
P.O. Box 1227
Westwood, NJ 07675-1227